

INTL 4230 International Political Economy
Fall 2009, call #67-136
Professor Douglas Stinnett

Office Hours

323 Candler Hall
Office Hours: Tues. 2:00-4:00
Phone: 542-9810

Class

Tues/Thur. 9:30-10:45
Location: Fine Arts 201
Email: stinnett@uga.edu

Objectives

The objective of this class is to help you understand the political underpinnings of economic interactions between countries, particularly the movement of goods (trade) and money (investment). Much of what we will study involves the behavior of private actors (individual people, corporations). But the actions of private economic actors are governed and regulated by political choices and government policy. It is these political choices that we will try to explain and understand. The agenda of the class is very broad, and we will discuss political theory, economic theory, contemporary events, and historical cases. In addition, we will spend some time discussing recent events in the global economy. Be prepared to shift between theoretical topics and detailed policy discussions.

Course Materials

There are two required books for this class:

- *International Political Economy, 4th Edition*. Thomas Oatley. Pearson/Longman.
Selections from this book are identified on the syllabus as “**Oatley**”
- *Debates in International Political Economy*. Edited by Thomas Oatley.
Selections from this book are identified on the syllabus as “**Debates**”

There will be a few other readings. These readings are available online, either through the UGA Library webpage or Google Scholar. I find that Google Scholar is very convenient; you can often get access to the PDF version of the article simply by clicking “find @ UGA.”

Requirements

Class Participation: You are required to attend class regularly and actively participate in class discussions. In addition, you will find the class more enjoyable if you are actively engaged. The readings will serve as the basis for our discussions. Some class meetings will be reserved for discussion and debate, but even on lecture days I will ask questions of the class and expect active participation. A portion of the final grade will be made up of my estimation of your degree of participation. A record of attendance will also be kept.

Readings: It is important that you **read the assigned materials prior to class**. It is vital that you keep up with the readings. The class meetings and readings work together: you will get more out of lectures if you have done the reading, and you will better understand the reading assignments if you attend class regularly. In addition, **if I feel that students are not doing the readings, I**

reserve the right to replace part of the participation grade with unannounced quizzes on the reading assignments.

Grade Breakdown

Mid-term	30%
Final	30%
2 Essays (dates tba)	25%
Simulation Report	5%
Participation and attendance	10%

Letter Grades

A 92-100	A- 90-91.9	B+ 87-89.9	B 82-86.9	B- 80-81.9
C+ 77-79.9	C 72-76.9	C- 70-71.9	D 60-69.9	F <60

Policies

Office Hours: I encourage you to come see me with any questions or difficulties that you have about the readings or class discussions. I am also available by appointment outside of office hours. You are free to ask me questions immediately after class, but be aware that my attention is often focused on several different things at this time. To get my complete attention, it is best to come see me in my office.

Honesty: All academic work must meet the standards contained in “A Culture of Honesty.” Students are responsible for informing themselves about those standards before performing any academic work. Violations of the honor code will result in a grade of F for the course.

Absences: Absences will be excused in case family emergency or documented illness. If you will be absent from class due to legitimate academic, religious, or university obligations please let me know in advance. Make-up examinations will be given at the earliest date convenient following the exam date. Exams will not be given in advance of the scheduled exam date. Since the essay assignments will focus on readings that we will be discussing the day that each essay is due, I will not accept any late essays without a valid excuse.

Grade Re-evaluation: Students may ask the instructor to re-evaluate assignments that they feel have been graded incorrectly. Re-evaluation requests should be in the form of a short, typewritten statement explaining specifically why the student thinks that the grade should be reconsidered. These requests must be submitted to the instructor, along with the assignment, within one week after it has been returned to the class.

The course syllabus is a general plan for the course; deviations announced to the class by the instructor may be necessary.

Topical Outline and Readings

Part I. Introduction

Tues. August 18 Introduction to the course

Thur. August 20 Globalization and the international economy
• Oatley, p. 1-7

Tues. August 25 Film: *The Commanding Heights: The New Rules of the Game*
Transcript: http://www.pbs.org/wgbh/commandingheights/hi/story/tr_menu_03.html

Part II. International Trade

Thur. August 27 Introduction to trade: theoretical overview and trade policies
• Oatley, p. 7-18,

Tues. September 1 Economics of trade
• Oatley, p. 46-59
• Debates, Chapter 1

Thur. September 3 Interest groups and the domestic politics of trade policy
• Oatley, 71-93
• “The Battle of Smoot-Hawley.” *The Economist*, December 20th, 2008. **online**

Tues. September 8 Lobbying, Reciprocity, and International Trade Cooperation
• Bailey, Michael A., Judith Goldstein, and Barry R. Weingast. 1997. “The Institutional Roots of American Trade Policy.” *World Politics* (April): 309-338. **online**

Thur. September 10 Trade conflicts and cooperation: hegemony and institutions
• Oatley, p. 59-64

Tues. September 15 Bretton Woods, the GATT, and the WTO
• Oatley, p. 21-37, 65-70

Thur. September 17 WTO disputes and the environment
• Oatley, p. 372-378
• Debates Chapter 5

Tues. September 22 More WTO controversies and regional trade institutions
• Debates Chapter 14
• Oatley, p. 38-43
• Debates, Chapter 4

Thur. September 24 Economic sanctions
• Haass, Richard N. 1997. “Sanctioning Madness.” *Foreign Affairs* 76(6): p.74-85, **online**

Tues. September 29 Trade and development
• Debates, Chapter 11

Thur. October 1 Catch-up day, review for midterm

Tues. October 6 Midterm

Part III. Money and Monetary Policy

Thur. October 8 Intro to monetary policy and the Phillips curve

- Oatley, p. 283-301

Tues. October 13 Economics of exchange rates and exchange rate policies

- Oatley, p. 214-224
- Humpage, Owen F. 1998. "A Hitchhiker's Guide to Understanding Exchange Rates." Economic Commentary: Federal Reserve Bank of Cleveland. **online**

Thur. October 15 The Gold Standard and the Bretton Woods System

- Oatley, p. 224-235

Tues. October 20 The post-Bretton Woods monetary system

- Oatley p. 237-259
- Obstfeld, Maurice and Kenneth Rogoff. 1995. "The Mirage of Fixed Exchange Rates." *Journal of Economic Perspectives*. Fall: 73-96. **online**

Thur. October 22 The choice of exchange rate regimes

- Oatley, p. 260-281

Tues. October 27 Speculative attacks and currency crises

- Oatley, p. 321-322, p. 332-348

Part IV. Contemporary Issues

Thur. October 29 Debt relief

- Oatley, p. 306-331, p. 348-354

Tues. November 3 Multinational Corporations

- Oatley, p. 164-188

Thur. November 5 Race to the bottom

- Debates, Chapter 7
- Note: today I will hand out the assignment sheet for next week's climate simulation

Tues. November 10 Climate change simulation

- Prins, Gwyn and Steve Rayner. 2007. "Time to Ditch Kyoto." *Nature* vol. 449: 973-975. **online**

Thur. November 12 Housing market bubble

- NPR/This American Life Podcast "The Giant Pool of Money."
http://www.thisamericanlife.org/Radio_Episode.aspx?episode=355

Tues. November 17 Keynesianism: the Great Depression and the Great Recession

- Krugman, Paul. 1999. "The Return of Depression Economics." *Foreign Affairs*, 78(1). **online**

Thur. November 19 Finance, credibility, and power

- Kenneth Schultz and Barry Weingast. 2003. "The Democratic Advantage: Institutional Foundations of Financial Power in International Competition." *International Organization* 57 (Winter): 3-42. **online**

November 24 & 26: Thanksgiving Break

Tues. December 1 The U.S and China

- Debates, Chapter 10

Thur. December 3 Last class: review for final